

Title of Meeting:	Primary Care Commissioning Committee	Agenda Item: 7.1									
Date of Meeting:	22 July 2021										
Paper Title:	Finance Report	<table border="1"> <tr> <th colspan="2">Session (Tick)</th> </tr> <tr> <td>Public</td> <td>X</td> </tr> <tr> <td>Private</td> <td></td> </tr> <tr> <td>Workshop</td> <td></td> </tr> </table>		Session (Tick)		Public	X	Private		Workshop	
Session (Tick)											
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Workshop											
Responsible Executive Lead Jane Hawcard Chief Finance Officer		Report Author and Job Title Alec Cowell, Deputy Director of Financial Services & Reporting Jane Hawcard, Chief Finance Officer									
Purpose (this paper if for)	Decision	Discussion	Assurance								
			X								

Has the report (or variation of it) been presented to another Committee / Meeting?

If yes, state the Committee / Meeting:

Yes. A version of this has been to the Finance, Performance, Contracting & Commissioning Committee

Finance Position Summary to June 2021

The Co-commissioning allocation has a 2021/22 recurrent shortfall in allocation of £2.3m. This has been a consistent issue with the co-commissioning budget since the CCG merger.

The following table highlights that the primary care co-commissioning budget is overspent by £975k for the first quarter this financial year which would result in a forecast overspend of £1.134m overspend for H1 (April to September).

At this early stage in the year though it should be noted that some of the costs below are accrued to budget whilst information is received to build a better picture of actual costs being incurred.

<u>Delegated Primary Care</u>	Month 3 Year To Date Position			H1 Forecast Outturn		
	Budget	Actual	Variance	Budget	Actual	Variance
General Practice - GMS	8,576	8,554	(22)	17,152	17,130	(22)
General Practice - PMS	2,291	2,284	(7)	4,582	4,575	(7)
General Practice - APMS	172	172	-	344	344	-
Enhanced Services	198	198	-	396	396	-
PCN's	1,473	1,473	0	2,945	2,945	0
Dispensing/Prescribing Drs	1,117	1,117	-	2,302	2,302	-
Other GP Services	337	337	-	675	675	-
Premises Cost Reimbursement	1,689	1,689	-	3,378	3,378	-
Other Premises Costs	3	3	-	6	6	-
QOF	1,784	1,784	-	3,568	3,568	-
Local Enhanced Services	-	-	-	-	-	-
Other Services	(529)	475	1,004	(1,058)	104	1,163
Sub Total	17,111	18,086	975	34,290	35,423	1,134

Other services consist mainly of a negative reserve of £1,248k to offset the recurrent shortfall value.

Mitigating Actions

It should be noted that whilst the co-commissioning budget has a projected 2021/22 recurrent shortfall in allocation of £2.3m, the following non-recurrent mitigating actions have been identified to date to offset the overspend noted above:

- Year-end accruals benefits of £583k arising from actual costs now received lower than expected for CCG primary care medical services (QOF, locum provision, underspend against additional roles estimates)
- National council rates review of primary care premises. £148k rebate has been confirmed to date with a further £600k identified but not confirmed and recovered yet.
- Slippage is also anticipated against the CCGs additional roles budget and a forecast will be available for the quarter 2 report.

The following table provides a breakdown of the 'Other GP Services' as this is currently the only budget area showing as an overspend. This shows that the underspend, as already mentioned, arises from the resource allocation shortfall.

Other Services	Month 3 Year To Date Position			H1 Forecast Outturn		
	Budget	Actual	Variance	Budget	Actual	Variance
Needle, Syringes & Occupational Health	9	9	-	18	18	-
Clinical & Medical-Independent Sector	-	-	-	-	-	-
Miscellaneous expenditure	-	466	466	-	-	-
Legacy	-	-	-	-	-	-
0.5% Contingency	86	-	(86)	171	86	(86)
Reserves	(624)	-	624	(1,248)	-	1,248
Sub Total	(529)	475	1,004	(1,058)	104	1,163

Resource Allocations

The following table lists the primary care funding allocations for North Yorkshire CCG. The table is split into sections to highlight who currently holds the funding allocation.

Humber Coast and Vale SDF Primary Care Funding 2021/22

Programme	Q1 (Confirmed)	Q2 (Draft)	Q3 & Q4 (Draft)	Under- spend b/fwd	Total	Committed	Remaining Balance	NY Funding to date Q1	NY Funding to date Q2	NY Funding to date Q3	NY Funding Total to date
CCG Allocations (held by the CCG)											
GP IT Infrastructure and Resilience (revenue)	99,000	99,000	197,000	-	395,000	-	395,000				
Improving Access	2,174,000	2,174,000	4,348,000	-	8,696,000	8,696,000	-	Based on recruitment of additional roles			
ICS Allocations (held by Hull CCG)											
Access Improvement	-	-	-	134,000	134,000	134,000	-	£49k for NY&Y			49,000
development & support systems	222,000	222,000	443,000	-	887,000	887,000	-	55,617	55,617	110,983	222,217
Supporting general practice: additional £120m funding April-Sept 2021	2,429,000	1,215,000	-	-	3,644,000	3,644,000	-	608,530	304,390		912,920
Workforce Training Hubs	91,000	91,000	182,000	50,000	414,000	8,080	405,920				
Mentorship	246,000				246,000	62,579	183,421				
Practice resilience programme - local	64,000	64,000	128,000	-	256,000	62,356	193,645				
Online consultation software systems	120,000	120,000	241,000	-	481,000	481,000	-				
Fellowship	1,670,000				1,670,000	100,400	1,569,600				
ICS Allocations (held by NHS E/I Region to be drawn down against actual spend)											
Workforce Funding Proposal	-	-	-	1,046,000	1,046,000	1,046,000	-	412,600			412,600
Flexible Pools	120,000			120,000	240,000	-	240,000				
GP Retention	364,000	-	-	-	364,000	-	364,000				
New to Practice Partnership	471,000				471,000	-	471,000				
ICS Allocations (held by Advanced Training Hub)											
Supporting Practice Nurse CPD	61,500	61,500	123,000	220,000	466,000	-	466,000				
Funding Allocations (still to be allocated)											
ETTF	-				-	-	-				
GP IT Futures	2,834,000				2,834,000	-	2,834,000				
Digital First	1,974,000				1,974,000	-	1,974,000				
Total	12,939,500	4,046,500	5,662,000	1,570,000	24,218,000	15,121,415	9,096,586				1,596,737

GP IT Infrastructure & Resilience Funding

- For investing in IT equipment and the IT infrastructure in line with the GPIT framework.

Improving Access

- To fund CCG commissioned access schemes linked to the CCG's long-term plan

Access Improvement

- Mid-career fellowship programme (£85k) hosted by North Lincs CCG across the ICS. Remaining £49k to be invested in local schemes.

Development & Support Systems

- To fund PCNs to continue their development & maturity, to assist the ICS achieve its primary care priorities

Supporting General Practice

- Continuing to make inroads into the backlog of appointments including for chronic disease management and routine vaccinations and immunisations (by 30 Sept 21)
- On inequalities, making significant progress on learning disability health checks (achieve target of 67% by Mar 22 and at least 33% of LD health checks by Sept 21)
- First steps in identifying and supporting patients with Long COVID
- Continuing to support clinically extremely vulnerable patients & maintain the shielding list
- Engage with GP practices / PCNs to facilitate supporting the waiting well initiative.

Workforce Training Hubs

- CDP training, point of contact programme through the Haxby practice. Other initiative to be agreed.

Mentorships

- Through YORLMC programmes to increase back-office functionality arising from the additional GPs joining the scheme, and additional mentoring time. Other schemes to be agreed.

Practice Resilience Programme

- Schemes agreed so far include
 - o YORLMC Mentorship Core Offer
 - o e module Primary / Secondary Care
 - o HR Support to a practice

Online Consultations

- Funding to cover the licence costs

Fellowship

- Funding to cover the cost of GP and PN fellowships as well as other educational costs

Workforce Funding Proposal

- Schemes either approved or in the pipeline are
 - o GP Returner Programme
 - o Bursary for GPs on Catalyst Programme
 - o PA Preceptorship
 - o Paramedic Rotational Programme
 - o Extension of GP Practice Mentorship Programme
 - o Wellbeing Programme
 - o Extension to Coaching Programme for GP Practices
 - o Recruitment support for Refugee Programme
 - o Recruitment of GPs from Europe
 - o Vulnerable Locum Support Programme
 - o Continued support ICS BAME Leadership Programme
 - o MDT Educational Programme working with HEE re efficient ways of working

Programmes are currently being developed with regards to funding streams for 'flexible pools', 'GP Retention', 'New to Practice Partnership', and 'Supporting Practice Nurse CPD'.

Prescribing

Prescribing information is released to CCGs two months in arrears which means that at year end NY CCG estimates and accrues for February and March costs. Now that the actual costs for February and March have been received, this section of the report provides an update to the committee with regards to the final actual costs for the year ending 31 March 2021.

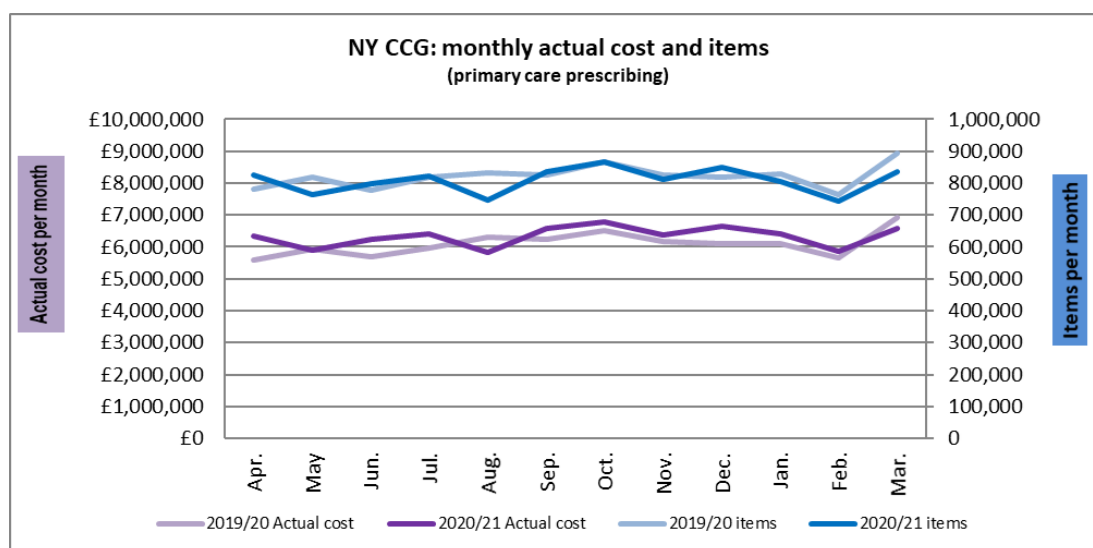
The table below shows that the final costs incurred were £76m against a budget allocation of £75.3m, giving rise to an overspend of £0.68m. At year-end we had accrued for a £0.418m overspend which, on a £75m budget is fairly accurate accruing.

It should be noted that without the additional covid19 financial regime top-up funding for months 1-7 of £1.568m the overspend would have been £2.2m.

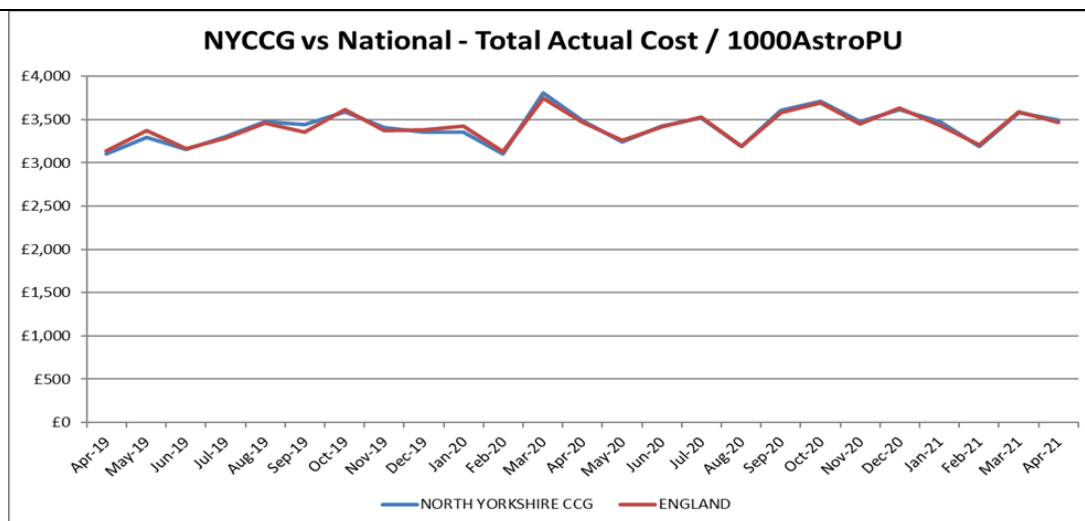
Month	Budget	Actual	Variance
April	6,048,600	6,347,863	299,263
May	6,048,600	5,906,213	- 142,387
June	6,048,600	6,236,067	187,467
July	6,048,600	6,419,127	370,527
August	6,048,600	5,829,593	- 219,007
September	6,048,600	6,595,369	546,769
October	6,239,556	6,798,565	559,009
November	6,242,357	6,368,704	126,347
December	6,242,356	6,639,176	396,820
January	6,242,356	6,392,411	150,055
February	6,242,356	5,862,238	- 380,118
March	6,242,356	6,595,561	353,205
Total (pre top-up)	73,742,937	75,990,886	2,247,949
Covid19 Top Up*	1,568,000		- 1,568,000
TOTAL	75,310,937	75,990,886	679,949

* Months 1-7 the CCGs position has been topped up to allow it to break-even.

The following table continues to show the trend in both monthly spend and number of items dispensed, comparing the full year for 2020/21 against 2019/20. This shows that the number of items dispensed (blue lines) were very similar to the previous year but spend (purple lines) is higher. In March, the drop in dispensed items is lower than the previous year is also reflected in the costs, but still to a lesser degree.



When comparing the CCG's weighted prescribing costs to the national position, the CCG continues to match this national trend almost perfectly, as shown in the table below.



Current highlights from the BSA are;

- Nationally, overall costs have increased in 2020/21.
- Prescribing frequency in March and April 2020 were unusually high, and while this was partly offset by fewer items thereafter, the costs were not offset across the financial year.
- There were 1.45% fewer items dispensed in 2020/21 compared to the same period last year.
- At the same time costs were 3.76% above last year's spend for the same period.
- Drug tariff prices remain high and price concessions are only granted for some common products, which both result in a marked increase in average cost per item.
- Medicines typically used for some therapeutic areas saw an increase in prescribing, but drugs for other uses were prescribed less often.
- Use of the Electronic Prescribing Service and Electronic Repeat Dispensing continued to grow steadily (as at the end of January 2021).
- For our CCG, 72% of prescription items are transmitted electronically (nationally it is 90%). The rate of electronic repeat dispensing has grown to 4.2% (nationally it is 13.4%).
- Marked and continued growth in both since March 2020 is helping reduce footfall at pharmacies and GP surgeries.

Recommendations

The PCCC are being asked to note:

- That the primary care co-commissioning budget is overspent YTD by £975k, offset by other primary care benefits of £538k, giving an overall overspend of £437k.
- Numerous additional funding allocations have been received by the CCG, the ICS and held centrally with NHSE/I.
- Prescribing budget overspent by £680k for the financial year 2020/21, due mainly to increased drug costs rather than increased prescribing.

Monitoring

Through FPCCC, PCCC and budget holder financial review meetings.

Any statutory / regulatory / legal / NHS Constitution implications

The CCG normally has a statutory requirement to operate within its overall resource allocation. At present the CCG is operating under a covid19 financial regime which, after regulatory body scrutiny and review, allows the CCG to break-even through additional true-up resource allocations.

Management of Conflicts of Interest	Conflicts of interest will be managed in accordance with the CCG's conflicts of interest policy.
Communication / Public & Patient Engagement	None
Financial / resource implications	As noted in the main body of this paper
Outcome of Impact Assessments completed	Not applicable